nationalgrid

Amy G. Rabinowitz
Assistant General Counsel

July 24, 2006

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: D.T.E. 99-47

Dear Secretary Cottrell:

I am enclosing for filing Massachusetts Electric Company's Storm Fund Report for the October 25, 2005 storm.

Thank you very much for your time and attention to this matter.

Very truly yours,

Amy G. Rabinowitz

cc: Service List

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National Grid Storm Preparation and Response Report

October 25, 2005 Major Storm

Event Summary

Most of southern and central New England, along with eastern New York, was impacted by the remains of the former Tropical Storm *Wilma* from early Tuesday, October 25, 2005 and throughout the afternoon and early evening hours. The track of the storm and the formation of a secondary low off the southern coast resulted in the formation of a classic Nor'easter. This brought heavy rains, some flooding, and high wind gusts to the entire Massachusetts Electric Company ("Mass. Electric" or "Company") service territory. The high winds that accompanied the storm caused severe damage to trees, limbs, branches, wires, and utility structures. As a result, the storm caused extensive damage to the electrical distribution system in Massachusetts: 24 distribution feeders were entirely out of service along with many smaller outages. Nearly all of these were the result of fallen trees and limbs.

Much of the damage occurred along the North and South Shores, southeastern Massachusetts, and throughout Worcester County. Almost 90,000 Mass. Electric customers were without power at some time throughout the daytime, evening, and nighttime hours of Tuesday, October 25. The Company's restoration efforts began immediately at the start of the storm event, which limited the simultaneous customer outages to a peak of 28,000 at 1:00 p.m. on Tuesday, October 25. Figure 1 shows the extent of outages for Tuesday, October 25.

The Company's response to this storm demonstrates the effectiveness and flexibility of its emergency planning efforts. Also, preceding weather forecasts predicted the severity of the storm, which allowed the Company to prepare in advance of the storm's initial impact. The Company committed 114 internal crews and 93 contractor crews from the New England region over the course of the restoration activities. These numbers included 73 Mass. Electric line crews, 66 contract line crews working in Massachusetts, and 42 tree crews working in Massachusetts. Restoration of service to all customers was completed by the early morning of October 26, 2005.

Storm Preparation

A significant component of the Company's storm preparation is its long-term storm/emergency planning, which focuses on general emergency preparedness. Recent long-term planning initiatives have included retaining a full complement of contractor resources, implementing mobile computing technologies to better direct those resources, and electronically capturing work activities as they are completed.

Specific planning in preparation for the October 25 storm included holding three Company-wide conference calls before the storm impacted the region; the storm progressed from southwest to northeast and began at approximately 5:00 a.m. in southeastern Massachusetts. Divisional storm

plans were implemented and the respective storm rooms were opened by 1:00 a.m. on Tuesday, October 25. Also, the Northboro Emergency Room opened at 12:00 a.m. on October 25 to coordinate the movement of contractor resources to the areas of need. Most crews were instructed to arrive one hour early (i.e., at 6:00 a.m.), as a means of keeping the number of potential outages to a minimum from the storm's start.

The Company obtains information about upcoming weather from a variety of sources, as explained in the Company's October 29, 2001 report on reliability, filed in D.T.E. 01-68. As late as 1:00 pm on Monday, October 24, forecasts were accurate with respect to predicted wind gusts and potential damage indices (PDIs) for Massachusetts.

Impact of Storm and Company Response

As the storm event progressed, two more Company-wide conference calls were held during the morning and afternoon hours of October 25 to assess and direct the restoration activities. Through these calls and a review of the outage management systems, it was apparent that National Grid's Eastern Division in New York was also impacted significantly. While Massachusetts customers impacted by the storm event were restored within a 24-hour time period, almost three-days were required for our New York customers.

By the early afternoon of October 25, all resources beyond what had been mobilized initially were assigned and working on customer restoration activities. The Storm Emergency Assignment Listing ("SEAL"), an internal database through which all employees have alternate work assignments for storms, was activated in National Grid's Bay State South and North & Granite Divisions. This added approximately 35 more people to the restoration effort for wire down standby and field guide activities. Also, a number of crews, along with supervisory, Operations, Customer Service, Business Services, and Emergency Planning personnel, worked extended hours to minimize the customer impact.

As a result of the pre-storm activities, the resources needed to effectively and efficiently respond to the event were mobilized early and in advance of the storm's impact. The early mobilization was a large part of the reason why the length of the restoration was limited to one day.

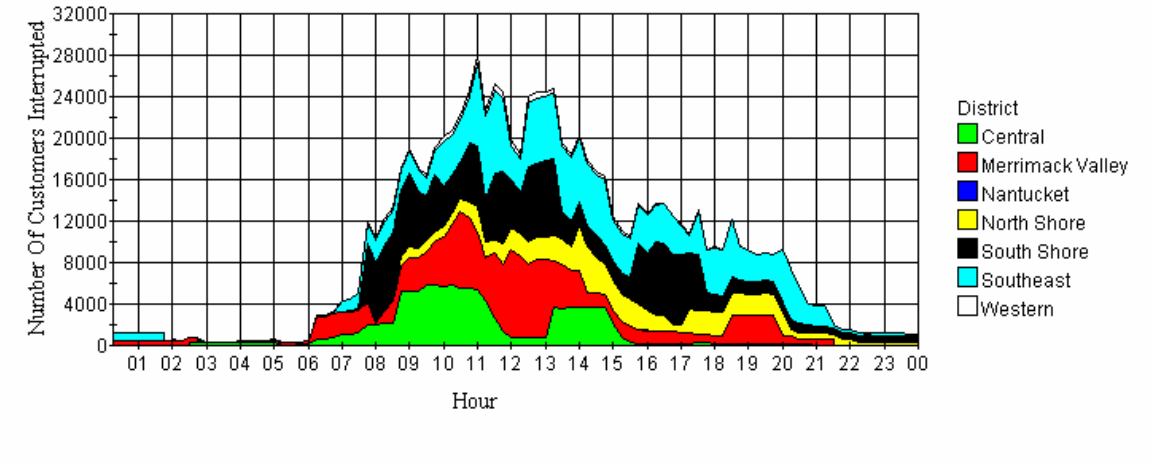
Post-Event Review

While a formal review was not conducted following the event, an informal assessment or debrief was conducted at the closure of the Northboro Emergency Room to identify if and how various factors impacted the Company's preparation for and response to this major storm. The review did not identify any factors before, during, or after the storm event that negatively impacted the Company's preparation or response to this storm event.

Figure 1 - October 25, 2005 Storm

Customers Without Power, Tuesday, October 25, 2005

National Grid (Mass. Electric)



October 25, 2005 Wind Storm Response Report

The settlement agreement in Docket No. 99-47 requires the Company to report its storm preparation and response considering, at minimum, the factors listed below.

1. Adherence to preventive maintenance standards
2. Vintage of equipment
3. Protection devices
4. Tree trimming cycles
5. Feeder history
6. Inspections
7. Availability and cost effectiveness of new technology
8. Response time
9. Line loads
10. Complaints about circuit/feeder reliability
11. Inventory levels
12. Storm Preparation

Certain of these factors may or may not be particularly relevant to the October 25 storm; however aspects of each factor are certainly applicable to the Company's overall ability to respond to major storms.

The following discussion will address each of the factors outlined in Docket No. 99-47 as they pertain to the Company's ability to respond to major storms in general and the October 25 storm in particular.

1. Adherence to preventive maintenance standards

For substation equipment, the Company utilizes a computerized maintenance management system ("AIMMS"). The system prioritizes maintenance scheduling for substation equipment based on several factors including the date of last inspection, number of operations, manufacturers' recommendations, and other factors applicable to the specific type of equipment. The system calculates a "critical number" for each piece of equipment based on those factors. Historically, we have seen a correlation between equipment 'mis-operation' and a critical number value greater than 500. As a result, internal goals have been established to keep critical numbers below the 500 level. If the critical number for a piece of equipment greatly exceeds 500, it is usually due to the inability of equipment to be removed from service for maintenance. Such exceptions are noted and monitored closely.

During any storm event involving this type of weather and this magnitude of line faults, it would not be unusual to experience scattered equipment failures. For the specific period covering the October 25 storm, there were no reported substation equipment failures.

The Northeast Power Coordinating Council (NPCC) and industry practice establish guidelines for relay testing intervals based on the types and functions of relays. National Grid adheres to these guidelines. For the period covering the October 25 storm there were no reported relay mis-operations.

2. Vintage of equipment

Age of equipment is not, by itself, a viable indicator of inherent ability for equipment to perform its intended function. Operating experience, effective preventive maintenance, spare parts availability, and life extension programs all contribute to the ability of equipment to perform correctly over extended periods of time. New technologies have also improved previously accepted end-of-life ages of equipment. An example would be the under vacuum, full length treatment of poles starting in the mid-1950's, where the effect of increasing life of the pole is just now being appreciated.

There are no records of equipment mis-operation during the period covered by the October 25 storm that could be attributed to vintage of equipment.

3. Protection devices

The Company maintains a wide array of protective devices designed to separate faulted components from the electrical system while containing outages to the smallest area practicable. On the distribution system, such devices typically include fuse cutouts, reclosers, and circuit breakers of various designs. On the transmission system, components typically include circuit breakers, air-break switches, and circuit switchers.

For the distribution system, design standards exist indicating how protection devices are to be deployed and coordinated with other devices. Distribution engineers continually monitor the performance of such devices under normal and fault conditions. Where recent performance may indicate a need for improvement, engineering studies are undertaken and improvements are made. In addition, analysis of protection devices and coordination thereof is undertaken following incidents of equipment mis-operation and circuit changes.

During a major storm, outages are far too extensive to assess the function and coordination of individual protective devices in detail. The focus of storm response is necessarily on service restoration. A meaningful analysis would be difficult to perform unless there were specific indications of protection equipment mis-operation.

4. Tree trimming cycles

The Company's vegetation management program includes the conversion from town-based trimming to feeder-based trimming which began in 2003. During this conversion each circuit is

being scheduled into a cycle-based approach with full conversion estimated to be completed by 2009. As we formulate the cycle, the Company establishes goals for the number of miles of overhead distribution line to be trimmed each year and has been scheduling feeders that should provide the best reliability return for the expense. In addition, the Company has increased its pruning specifications to include the removal of dead, dying or structurally weakened limbs from above the primary wires as well as the targeted removal of "hazard trees", both as additional outage prevention measures. While trimming provides a measure of public safety, improves access for our crews and has some reliability benefit, the removal of hazard trees and hazardous conditions over the primary wires has the direct effect of minimizing future tree outages.

Our tree trimming vendors follow our distribution pruning specification and are closely monitored for compliance with these requirements. Each vendor is currently under contract with the Company to provide the trimming services for a given area. The Company moved to competitive bidding in 2005 which placed the once for productivity on the vendors.

It should also be mentioned that the Company's standard distribution construction calls for "spacer cable" and "tree wire" to be installed in treed areas. Such construction is inherently tree resistant when compared with traditional crossarm construction, thereby complimenting the Company's vegetation management efforts.

5. Feeder history

Major storms, by definition, are outside the realm of normal operation. There is little discernable correlation between the effect of a major event on a particular feeder and that feeder's reliability history. However, the Company has programs in place to assess and improve feeder performance.

The Company's engineering function has engaged in distribution feeder management activities focusing on the following: feeder reliability, feeder loading, feeder rating, protection and coordination, voltage regulation, feeder balancing, and other related activities. Some of these activities occur on a regular cycle, while others are on-going or are in response to specific feeder events. These activities include, but are not limited to:

- The Company evaluates its worst performing circuits and files a report with the Department annually along with plans for improvement.
- Significant interruptions are evaluated, and reported to the Department, along with corrective action, on a quarterly basis.
- The Company has an on-going feeder hardening program specifically designed to address poor performing circuits.
- Protection and coordination reviews that are conducted on an on-going basis and following circuit changes or mis-operations.

6. Inspections

The typical goals of any inspection program are to verify the condition and/or operability of various pieces of equipment. There are many different inspection programs undertaken for different types of equipment, These Include:

- Transmission Systems:
  - Ground Based Patrol Inspection
    Transmission patrols are conducted by a line qualified worker that can identify hazards, deficiencies or non-standard construction conditions. Each transmission circuit is examined once every five years.
  - Aerial Helicopter Patrols
    Aerial Helicopter Patrols shall be done on a one-year cycle providing for a visual examination of all Transmission lines. This patrol shall be performed by a line-qualified worker recording items such as broken or flashed insulators, leaning structures, broken hardware, tree conditions, ROW problems, and conductor clearance problems. In addition, an infra-red inspection of every circuit is conducted every three years.
- Distribution Systems:
  - Distribution Patrols are conducted by a Distribution Inspector that has been trained to identify deficiencies or non-standard construction. Each distribution feeder is patrolled once every five (5) years.
  - Infra-red inspection of distribution feeders as conditions require
- Substations:
  - Visual & Operational (V&O) inspections of substations every two months.
  - Diagnostic inspections of substation equipment according to MPS critical number.

Since the end result of inspections is to verify that equipment is suitable for normal and contingency operation, and conditions encountered during major storms often exceed operating parameters for which equipment is designed, it would be difficult to correlate any inspection program directly to equipment performance during a major storm event.

However, we consider the execution of effective inspection programs to be a contributing factor in the Company's overall efforts to prepare for and mitigate the effects of major storms.

7. Availability and cost effectiveness of new technology

The Company routinely considers and investigates the application of new technology for cost effective operational improvements. It should be noted that the availability of new technology is a separate issue from whether the Company determines that its deployment is justified. In our view, the Company has clearly demonstrated its commitment to employing new technology, when appropriate, through its history of making such investments. Some of the new technologies implemented by the Company during the past several years that have improved our ability to prepare for and respond to major storms include:

- Automated Service Restoration System ("ASRS"), our computerized outage management system;

- Trouble report Information Management System (TRIMS), our computerized wires down and trouble report management system;
- Interruption and Disturbance System (IDS), our computerized interruption analysis system;
- Automated Vehicle Locator (AVL) system which tracks vehicle location by satellite;
- Geographic Information and Work Order Management systems;
- Various microprocessor-controlled equipment and microprocessor-based protective relays;
- Substation automation projects, including installation of an Energy Management System ("EMS"), Remote Terminal Units ("RTU") and programmable logic controllers ("PLC");
- Various cellular, wireless, and satellite communications systems;
- Hand-held data collection devices used to track performance of our tree trimming vendors;
- Several web browser applications for a variety of issues, such as substation equipment records, weather forecasts, engineering information, and general Internet access;
- Numerous apparatus, equipment, and tool upgrades directed at operational, reliability, productivity, and safety issues.

These are a small sample of technological improvements deployed over time, which provide ample evidence of the Company's commitment to evaluate and implement new technologies in our effort to provide better and more reliable service to customers.

8. Response time

Response time can be generally defined as the elapsed time between the reported time of interruption and initiation of an appropriate restoration process. In order to initiate restoration in an appropriate manner, the location, nature, and extent of outages must be known. The Company's ASRS outage management system performs several crucial roles in this process.

First, reports of outages received from customers are entered into the ASRS. The ASRS immediately analyzes all reports entered and performs analysis to identify the most likely protection devices that have operated. Crews are dispatched based on the analysis results as well as reports of specific information received with the outage calls. Analysis is continuously updated as new outage reports are entered. ASRS analysis provides numerous pieces of critical information that enable efficient deployment of resources. Locations of outages are quickly known, enabling prompt and efficient crew dispatch. Types of damage are identified which enable response by appropriate types of crews. The scope of outages is determined, providing decision makers with important information for obtaining supplemental resources.

Another aspect of our outage management program involves the TRIMS program, which tracks customer reports of trouble, such as wires down, to enable crews to respond promptly and take corrective measures. Whereas ASRS manages outage information, trouble calls in TRIMS may or may not have corresponding outages.

However, for the October 25 storm and for any emergency situation, the relevant question is whether the Company responded promptly and appropriately to outages caused by the storm. The Company's performance in this particular storm exemplified its ability to quickly and effectively respond to unanticipated and widespread outages. Initial preparations for the October 25 storm began several days prior to the storm as operations closely monitored weather forecasts.

9. Line loads

Line loads generally have little bearing on the Company's ability to respond to outages caused by major storms, for several reasons.

First, line loads during major storms are generally not at peak levels due to circumstantial load reductions that occur as the public prepares for the upcoming storm, i.e. businesses close, people may evacuate their homes, etc.

Second, load decreases as outages increase. There would necessarily be a reduced likelihood that line loading would be an issue.

Third, normal restoration progression begins with "sources" and proceeds to pick up more and more load as customers are restored. An example of this would be that the transmission system must be restored before the distribution system can be energized. Once all customers are restored, load would be anticipated to be roughly what would be expected for a similar weather day had no outages occurred.

Lastly, actions taken in response to the Company's distribution feeder management program and transmission load forecast studies strive to minimize the adverse impact of line loading as analyzed during normal, contingency, and emergency conditions.

For the October 25 storm there were no instances where line loads affected the Company's response.

10. Complaints about circuit/feeder reliability

Complaints about reliability are evaluated in the context of actual reliability performance as measured and tracked by the Company. The reason for this is that customers have varying needs and perceptions regarding what constitutes reliable electric service, and the presence or absence of complaints may not accurately reflect reliability performance. However, complaints often do indicate areas where reliability improvements would be appropriate, thus all complaints are evaluated and answered appropriately.

It is not unusual to receive some complaints following major storms when electric service to thousands of customers was interrupted. The relevant and more difficult question to address would be whether complaints were received regarding the emergency event, the reliability of the

feeder, or a combination of both. Nevertheless, the Company's response to the storm may be perfectly reasonable for the vast majority of customers but complaints may still be received.

Typically, customers either telephone their complaints or mail a letter to the Customer Service Center (CSC) in Northborough. Complaints are then evaluated and either handled at the CSC or forwarded to the appropriate operating District for resolution. Copies of all written correspondences to the CSC are filed, complaints being a small subset thereof.

11. Inventory levels

Inventory management is always a major concern in the context of the Company's ability to respond to interruptions, in particular widespread outages caused by major storms. Without the correct materials in sufficient quantity at the right locations, restoration efforts could be significantly hampered.

The Company has many years of data to assist with determining inventory requirements. Several initiatives have been undertaken to further improve the process for storm restoration materials and as a result, material shortages have rarely been an issue.

In 1998, the Company established a Central Distribution Center ("CDC") in Franklin, MA. The CDC is the central repository for materials needed for routine and emergency operation. The CDC philosophy is for operating Districts to maintain approximately a 30 day supply of emergency stock on-hand locally and have the CDC make deliveries to replenish stock as needed. In anticipation of major storms the CDC maintains storm kits for ready distribution to crews coming into the service area as well as emergency quantities of selected materials at the CDC. This is in addition to normal inventory levels carried for daily demands and the aforementioned 30 day supply carried at local areas.

The Company has also established close relationships with several regional vendors for our standard materials, enabling us to reduce the amount of inventory kept on hand at Company locations. These efforts have enabled the Company to reduce inventory carrying charges while increasing the overall quantities available to us from the vendors.

For the October 25 storm there were no instances of material shortages that impacted the Company's response.

12. Storm Preparation

For the purposes of this discussion, storm preparation includes activities undertaken to prepare the Company to respond to storms in general, and the storm under examination in particular. Preparation activities differ from response activities as planning differs from implementation. The best planning has no value if implemented poorly, just as the successful implementation of a poor plan can ultimately lead to failure.

Storm preparation can be characterized as taking place in two different time frames: long-term planning, which involves preparations made for all storms that may or may not occur; and short term planning, which involves preparation for a specific forecasted event. For the October 25 storm, both types of preparation will be discussed.

Significant aspects of the Company's long-term emergency planning include:

- Annual revision of the Company's Emergency/Storm Restoration Plan;
- Annual storm dry-run exercise;
- Cross-functional storm assignment training for non-distribution and non-Operations Department personnel;
- Weather forecasting service;
- Participation in the Edison Electric Institute Mutual Assistance program;
- Participation in regional mutual assistance task force;
- Use of outside consultants specializing in major disaster planning;
- Critiques and follow-up from prior emergency events;
- Awareness training for municipal officials;
- Close working relationships with the Massachusetts Emergency Management Agency ("MEMA") and local emergency service providers;
- Commitments from vendors for emergency materials and services;
- Review of type and quantities of emergency/storm materials;
- Investment in the latest tools and equipment;
- Use of information technology for outage management;

Perhaps the most crucial element of our ability to respond to major storms is the cumulative and collective knowledge of our employees who for years have successfully responded to emergencies of all types and sizes. The experience gained from responding to numerous small storms is invaluable when applied to major emergencies.

Short term planning activities which are performed in anticipation of a particular storm and generally commence a few days prior to the onset of the storm will typically include but are not limited to items such as:

- Review Emergency/Storm Restoration Plans;
- Implement "checklists" found in Plans;
- Obtain and review current weather forecasts;
- Contact critical vendors and obtain resource commitments;
- Contact Mutual Assistance utilities and verify potential crew availability;
- Review on-hand quantities for all critical materials, such as line materials, fuel, poles, etc. and adjust local inventories for storm needs;
- Verify operation of critical outage management systems, telecommunications systems, and backup systems;
- Contact MEMA and municipal officials and verify contacts;
- Instruct employees to prepare for possible upcoming emergency;
- Notify employees to prepare for emergency assignments;

Because of the effectiveness of the Company's long-term emergency planning efforts, the Company was well prepared to respond to the interruptions caused by this storm.

Even though weather forecasts did not allow the Company to anticipate in advance the actual severity of the winter storm, the Company was able to quickly implement an immediate and well-coordinated campaign against the effects of the storm. The Company ramped up to respond effectively to the storm while outages were still occurring.

Massachusetts Electric Company

Summary of Storm Fund Activity
For the Period Ended March 31, 2006

(1)	Storm Fund Balance as of 9/30/2003 (FERC Account 254)		$11,143,292
(2)	Recovery through base rates (Sept 30, 2003 - Dec 31, 2003)	$1,075,003	
(3)	Recovery through base rates (Jan 1, 2004 - Dec 31, 2004)	$4,300,000	
(4)	Recovery through base rates (Jan 1, 2005 - Dec 31, 2005)	$4,300,000	
(5)	Recovery through base rates (Jan 1, 2006 - Mar 31, 2006)	$1,074,999	
(6)	Total Recovered through base rates		$10,750,002
(7)	Storm Costs:		
(8)	October 24-25, 2005 Storm	($1,271,973)	
(9)	Total Storm Costs		($1,271,973)
(10)	Annual Interest:		
(11)	2003 (period from Oct 1 to Dec 31, 2003)	$77,259	
(12)	2004 (period from Jan 1 to Dec 31, 2004)	240,065	
(13)	2005 (period from Jan 1 to Dec 31, 2005)	454,049	
(14)	2006 (period from Jan 1 to Mar 31, 2006)	202,194	
(15)	Total Interest		$973,567
(16)	Storm Fund Balance as of 3/31/2006 (FERC Account 254)		$21,594,888

Notes:

(1) Balance forward from Massachusetts Electric Company's summary of storm fund activity through September 30, 2003 (storm fund effective on August 1, 1996 per D.P.U. Docket Nos. 96-100 and 96-25). The storm fund summary for the period Oct 1, 2002 to September 30, 2003 was filed on December 11, 2003.

(2) - (5) Recovery of $4.3 million per year (~$358,333 per month) beginning May 1, 2000 per D.T.E. Docket 99-47. See Page 2 of 2, total of column (b).

(6) Sum of Lines (2) thru (5).

(8) See attachments 1(a) and 1(b) for details.

(11) - (14) Interest calculated at the following customer deposit rates: 2.64% for 2003, 1.65% for 2004, 2.38% for 2005 and 3.85% for 2006. See page 2 of 2, annual totals of column (c).

(15) Sum of Lines (11) thru (14).

(16) Sum of Lines (1), (6), (9) and (15).

Massachusetts Electric Company

Report of Storm Fund Activity
For the Period Ended March 31, 2006

Month	Beginning Balance (a)	Monthly Contribution (b)	Monthly Interest (c)	Storm Charges: October 24-25, '05 (d)	Adjustments (e)	Ending Balance (f)
2003						
October 2003	$ 11,143,292	$ 358,333	$ 24,909	$ -	$ -	$ 11,526,534
November	11,526,534	358,333	25,753	-	-	11,910,620
December	11,910,620	358,337	26,598	-	-	12,295,554
Total 2003	11,143,292	$ 1,075,003	$ 77,259	$ -	$ -	$ 12,295,554
2004						
January 2004	12,295,554	$ 358,333	$ 17,153	$ -	$ -	$ 12,671,040
February	12,671,040	358,333	17,669	-	-	13,047,042
March	13,047,042	358,333	18,186	-	-	13,423,561
April	13,423,561	358,333	18,704	-	-	13,800,598
May	13,800,598	358,333	19,222	-	-	14,178,153
June	14,178,153	358,333	19,741	-	-	14,556,227
July	14,556,227	358,333	20,261	-	-	14,934,822
August	14,934,822	358,333	20,782	-	-	15,313,936
September	15,313,936	358,333	21,303	-	-	15,693,572
October	15,693,572	358,333	21,825	-	-	16,073,730
November	16,073,730	358,333	22,348	-	-	16,454,411
December	16,454,411	358,337	22,871	-	-	16,835,619
Total 2004	12,295,554	$ 4,300,000	$ 240,065	$ -	$ -	$ 16,835,619
2005						
January 2005	16,835,619	$ 358,333	$ 33,746	$ -	$ -	$ 17,227,698
February	17,227,698	358,333	34,524	-	-	17,620,555
March	17,620,555	358,333	35,303	-	-	18,014,191
April	18,014,191	358,333	36,083	-	-	18,408,607
May	18,408,607	358,333	36,866	-	-	18,803,806
June	18,803,806	358,333	37,650	-	-	19,199,788
July	19,199,788	358,333	38,435	-	-	19,596,556
August	19,596,556	358,333	39,222	-	-	19,994,111
September	19,994,111	358,333	40,010	-	-	20,392,455
October	20,392,455	358,333	40,799	(1,200)	-	20,790,387
November	20,790,387	358,333	40,840	(763,471)	-	20,426,089
December	20,426,089	358,337	40,572	(313,795)	-	20,511,203
Total 2005	16,835,619	$ 4,300,000	$ 454,049	$ (1,078,466)	$ -	$ 20,511,203
2006						
January 2006	20,511,203	$ 358,333	$ 66,311	$ (61,977)	$ -	$ 20,873,870
February	20,873,870	358,333	67,364	(131,411)	-	21,168,156
March	21,168,156	358,333	68,519	(120)	-	21,594,888
YTD 2006	20,511,203	$ 1,074,999	$ 202,194	$ (193,507)	$ -	$ 21,594,888
Period Summary	$ 11,143,292	$ 10,750,002	$ 973,567	$ (1,271,973)	$ -	$ 21,594,888

Attachment 1 (a)

Massachusetts Electric Company
Division of October 24 & 25, 2005 Storm Total O&M Restoration Costs
Between Normal and Incremental Costs

	Total Restoration Costs	Normal Costs	Incremental Costs (1)
Payroll charges excluding payroll overheads for MECO employees	$679,061.59	$154,803.24	$524,258.35
Charges for transportation on MECO vehicles	91,393.33	91,393.33	0.00
Charges from outside companies	730,338.89	0.00	730,338.89
Charges for materials and supplies (2)	9,374.93	2,137.17	7,237.76
Charges for employee expenses	4,059.94	0.00	4,059.94
Other	6,078.03	0.00	6,078.03
Total	$1,520,306.71	$248,333.74	$1,271,972.97

(1) Incremental costs are defined as the costs which MECO incurred as a direct result of the storm which were over and above MECO's normal cost of doing business.

(2) Materials and supplies were allocated between normal costs and incremental costs using the ratio of incremental payroll to total payroll.

Massachusetts Electric Company
Nantucket Electric Company
d/b/a National Grid
Storm Preparation and Response Report
October 25, 2005 Major Storm
D.T.E. Docket No. 99-47

Attachment 1 (b)

Massachusetts Electric Company

Outside Vendors Paid in Excess of $10,000 - Storm of October 24-25, 2005

Vendor	Amount
Asplundh Tree Expert Company	108,012.26
Utility Service and Assistance Inc	69,230.13
Three Phase Line Construction	34,063.07
Lewis Tree Service Inc.	128,880.66
Grattan Line Construction Corp	34,534.50
Narragansett Electric Co.	0.00
National Grid USA Service Co.	98,397.93
JCR Construction Inc	78,968.17
On Target Utility Service	25,665.60
Hawkeye Electric LLC	120,611.56
Items under $10,000	31,975.01
	$730,338.89